Foreign CROPS AND MARKETS

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DANISH SEED PRICES WEAK

Danish seed prices have been quite weak in recent months. The seed crop in Denmark and other European seed-producing countries was highly satisfactory. The present market situation is in marked contrast to the 1954-55 season, during which prices were abnormally high because of the short crop and the scarcity of good quality seed stocks.

Initial prices quoted on the 1955 seed crop in July 1955 were much below prices paid for seed during the previous year; and prices continued downward through the first part of September, with a slight upturn by the end of the month.

However, this situation did not persist for an appreciable period, and prices were again lower in October and November.

Since the end of November, the seed market has strengthened somewhat, prices have increased slightly, and it is the impression of some Danish seed companies that the market from now on will ease upward. Faced with relatively low prices this year, Danish seed merchants report that many farmers will plow down areas intended for seed production in 1956. On the assumption that seed supplies will be less during 1956-57, the large seed companies are holding back on offerings; and speculators are reported to be buying for the same reason. Only the smaller seed companies appear to be selling. (See table, opposite page.)

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SEEDS: Wholesale prices, selected seeds, Denmark, semi-monthly July 25 through November 25, 1955, and July 26, and November 25, 1954, in U.S. cents per pound

Kind of seed	1955									1954	
	July 25	August 11	August 25	Sept. 12	Sept. 24	October 10	October 26	November 10	November 26	July 26	November 25
	-(cents per pound)-										
Orchard grass	15.4	13.8-14.1	12.5-13.1	11.5-11.8	13.8-14.1	13.5-13.8	13.1-13.8	13.1-13.8	12.5-13.1	28.3-28.9	35.2-35.5
Meadow fescue	11.5-11.8	10.2-10.5	8.9- 9.2	7.6- 7.9	9.2- 9.5	9.2- 9.5	8.5- 8.9	8.5- 8.9	7.9- 8.2	30.2-30.6	34.8-35.2
Perennial ryegrass, early	11.8	10.5-10.8	9.2- 9.5	8.2- 8.5	9.9-10.2	9.9	9.9-10.2	10.2-10.5	10.5-10.8	17.4	31.2
Perennial ryegrass, late	14.8-15.1	13.1	11.2-11.5	9.9	11.2-11.5	10.8-11.2	10.8-11.2	11.5-11.8	10.8-11.2	21.7	32.9
Italian ryegrass	11.8-12.2	10.8-11.2	9.2- 9.5	7.6	10.2-10.5	9.5- 9.9	9.2- 9.5	9.2- 9.5	9.2	17.7	31.2-31.5
Roughstalk bluegrass	26.3-27.9	24.6-26.3	21.4-23.0	21.4-22.3	23.0-23.7	23.7-24.3	24.0-24.3	24.6-26.3	24.6	47.3-48.0	50.3-50.9
Kentucky bluegrass	39.4	39.4	37.8-39.4	37.8-39.4	39.4-41.1	41.1-46.0	40.1-40.8	41.1-46.0	41.1-46.0	65.7-78.9	80.2
Red fescue	17.1-17.7	17.4-17.7	15.1	12.8-13.1	13.1-14.8	13.1-13.8	13.1	13.1	12.5-12.8	29.6	30.9-31.5
Timothy	-	-	-	-	-	23.0-23.7	23.0-23.7	23.0-25.0	23.0-24.3	-	32.2-32.9
Red clover	-	54.2-55.9	38.1	36.1-36.8	41.1-42.7	37.5-38.8	36.1-36.8	36.1-36.8	34.8-35.5	44.4-46.0	105.2-108.4
White Dutch clover	88.7	72.3-78.9	52.6	46.0-49.3	54.2-55.9	51.9-52.6	51.3-53.2	51.3-53.2	50.0-53.2	75.6	111.7-115.0
Alsike clover	-	-	-	-	-	-	-	-	-	-	65.7 up

AEGEAN TOBACCO MARKET OPENS; OTHER TURKISH LEAF DEVELOPMENTS

The Aegean tobacco market (unmanipulated 1955 crop) was scheduled to open December 5, but was postponed to January 9. Farm sales of unmanipulated tobacco on the Aegean market during the first 3 days amounted to 70.1 million pounds, with 34.6 million pounds sold to the Turkish Monopoly, 35.5 million to merchants and none to United States companies. The amount sold in the first 3 days of sales represents about 45 percent of the 1955 unmanipulated crop. The 1955 crop in the Aegean area is estimated at about 150 million pounds or about 25 percent above that of last year.

Prices ranged from 38 to 56 U. S. cents per pound averaging about 2 U. S. cents above last year. Quality of the 1955 crop is spotty, according to trade sources, and the buyers will have to exercise great care this year in order to obtain their requirements of the better grades. Rains late in the growing season caused damage to the crop and the leaf shows more than normal insect damage.

The Minister of Customs and Monopolies issued a public statement on January 4, in connection with the scheduled opening of the Aegean market on January 9, announcing the Government's decision to pay growers a subsidy of about 4 U. S. cents per pound for the entire 1955 Turkish tobacco crop. The prime objective of this subsidy was to lend support for the orderly marketing of the 1955 crop and perhaps limit the increase in price of leaf for export.

The Turkish Government now requires a certification from purchasers of Turkish leaf tobacco guaranteeing non-reexportation from the country of initial destination.

Exports of Turkish leaf are being boosted by bilateral trade agreements, principally with the Soviet Bloc countries. During the last half of 1955 sales to East Germany totaled 11.8 million pounds, to Czechoslovakia and Poland 8.8 million each and to Hungary, 1.3 million. In the near future, trade delegations from the Soviet Union and Czechoslovakia are expected to negotiate agreements with Turkey covering the importation of tobacco from the 1955 crop. These arrangements are expected to include the sale of 13.2 million pounds to the Soviet Union and 4.4 million pounds to Czechoslovakia. The sale of $200,000 worth of tobacco to Japan and 4.0 million pounds to Yugoslavia were also concluded through trade arrangements.

Currently, United States companies are paying about 65 to 70 U. S. cents per pound for manipulated Turkish tobacco from the 1954 crop as compared with a price of 63 - 67 cents for the 1953 crop. Sales of the 1954 manipulated crop to American concerns continues to lag because of the high price of Turkish leaf. It is reported that Turkish merchants estimate that due to increased labor and other costs, manipulation of the 1955 crop will probably run about 6 U. S. cents per pound more than for the 1954 crop.

GERMAN CIGARETTE OUTPUT
UP 14.8 PERCENT

According to information in Die Tabak-Zeitung (Tobacco Gazette-Mainz) of November 25, output of cigarettes in Western Germany during the January-October period of 1955 totaled 37.3 billion pieces -- up 14.8 percent from the 32.5 billion produced in the corresponding period of 1954.

Output of filter-type cigarettes continues to rise and accounted for 12.6 percent of total production in October, whereas oriental-type cigarettes made up 17.0 percent. Production of straight Virginia and dark-type cigarettes represented 1.2 and 2.8 percent, respectively.

CEYLON'S TOBACCO
PRODUCTION LOWER

The 1955 tobacco harvest is estimated by the Ceylon Department of Agriculture at 8.5 million pounds, from 12,000 acres. This compares with the 1954 harvest of 10.3 million pounds, from 15,692 acres. Cultivation of cigarette types of leaf continues to rise, whereas the acreage of chewing tobacco types is declining due to reduced exports to India.

PAKISTAN TO PRODUCE
AMERICAN-TYPE CIGARETTES

The Khyber Tobacco Co., Ltd., in Pakistan has entered into an agreement with a United States firm to manufacture an American brand cigarette according to a recent report from Karachi. The newly-built factory in which this brand and native type cigarettes will both be produced is located at Mardan, Peshawar Division, West Pakistan. This new plant is expected to be in operation by April 1956 with an output of 1.5 billion cigarettes a year. It is expected that the new company will require and buy considerable quantities of American leaf in its operations.

CENTRAL AFRICAN FEDERATION
TOBACCO EXPORTS DECLINE

Exports of unmanufactured tobacco from the Federation (the Rhodesias and Nyasaland) in January-October 1955 totaled 114.7 million pounds, 5.7 million pounds less than the corresponding period of 1954. Flue-cured accounted for about 86 percent of total exports, with most of the remainder fire-cured. Total exports of flue-cured increased slightly but shipments of the other types of leaf declined 6.3 million pounds from the same 10-months of last year.

Consignments to the United Kingdom totaled 65.5 million pounds, compared with 72.7 million pounds during the first 10 months of the previous year. Shipments to the Union of South Africa totaled 9.4 million pounds and were over seven times as great as a year earlier.

Shipments to non-commonwealth countries declined about 6.0 million pounds with those to the Netherlands, Belgian Congo, Egypt, Denmark, Sweden, Switzerland and Burma showing the greatest decrease. Western European countries which continue to increase their takings of Federation leaf include Western Germany, Belgium, Norway, Austria, Portugal, Finland, France and Spain.

URUGUAY BUYS ARGENTINE CATTLE

Final arrangements are being made for the importation of 60,000 head of Argentine steers to be slaughtered by the private packers in Uruguay. This negotiation will alleviate the critical labor problem at idle plants and will provide a market for the large marketings of cattle in Argentina at this time.

FINLAND'S PORK TRADE UNDER CLOSE CONTROL

Finnish imports and exports of pork this year are expected to be relatively small. Imports and exports are used as a means of stabilizing domestic market prices. Under Finland's price system, any surpluses must be absorbed in export outlets when the guaranteed support price to farmers falls below prescribed levels.

During the calendar year 1954 "surplus" pork amounting to around 13 million pounds was exported. Less than 2.2 million pounds was exported in the first 4 months of 1955 but none has been shipped out since that time. Some 5 million pounds of sow meat for the sausage industry were imported from Denmark and Sweden in 1955. The net imports of pork during 1955 were less than 3 million pounds and amounted to about 2 percent of consumption.

Since both imports and exports of pork require subsidies by the Government, foreign trade is possible only upon authorization by the Diet. Exports made early in 1955 were subject to an export subsidy of 55 Finmarks per kilogram (official rate at 231 Finmarks per U. S. $1.00). The pork imported from Denmark involved the payment of a subsidy of 42 Finmarks per kilogram. To minimize subsidy payments in the future, the Farm Product Price Committee has recently proposed that the Government consider a reduction in the import duty on pork from 90 to 60 Finmarks per kilogram.

Wholesale and retail price controls are in force for meat, lard, domestic and imported grains and a number of other food items and farm commodities.

Price declines, as well as a poor harvest, caused a decline in the number of hogs for breeding and a continuing decline in hog slaughter throughout all of 1955. A 20 percent drop in fall farrowings in 1955 indicates that there will be still lower pork output in 1956. The expense of hog raising during the current year will be more dependent than usual upon hog-feed price relationships because of a shortage of farm-produced feed grains, potatoes and skim milk and the increased use of imported feeds. However, the feeding of Government sponsored imports of corn have brought about an increase in the slaughter weight of hogs, thereby partially offsetting the effects of the declining hog numbers.

Cattle slaughter during the summer and autumn of 1955 in some regions of Finland increased 20 to 30 percent. Feed production (in feed units) during 1955 was estimated to be 11 percent less than a year earlier as a result of a late spring and dry summer.

FRANCE MAY DISCONTINUE SUBSIDY ON LARD EXPORTS

France may find it difficult in 1956 to continue straight subsidy payments on lard exports to EPU (European Payments Union) countries due to the low price of United States lard. The subsidy rate on lard exports to Germany or other EPU countries is set twice a week and on December 22, 1955, was reported to be about 50 francs per kilogram (6.5 cents per pound).

Recent exports of lard to Germany have been made by means of "technical exchanges" of lard in compensation for some other pork products. In general, France imports hams and certain other choice cuts of pork in exchange for lard, fatbacks and other low priced pork cuts or forequarters. The kind and quantity of pork products which may be imported in exchange for given quantities of other pork products is announced by the Government each month. German imports of French lard are in direct competition with imports from the United States.

The price of French lard, c.i.f. Germany, was reported to be about 90 to 100 francs per kilogram (11.7 to 13.0 cents per pound) in mid-December 1955. At the same time the wholesale price of French lard in boxes at factory was about 205 francs per kilogram (26.6 cents per pound).

Germany was the most important market for French lard in 1954, taking 4.5 million pounds of a total export of 15.7 million pounds. During the first 7 months of 1955 German imports of French lard were 8.1 million pounds.

MEXICAN CATTLE BEING EXPORTED UNDER 1955 QUOTA

The Mexican Ministry of Agriculture has not yet announced the cattle export quota for 1956. However, livestock unions have been authorized to export 90,648 head, the unfilled portion of the 1955 quota during January-March. It is expected that the new quota will be announced by the beginning of March. Unofficial reports indicate that it will probably be slightly lower than in 1955.

Mexican exports of cattle and calves during January-October 1955 to the United States totaled 226,000 head. There were no imports from Mexico during the period May 23, 1953 through the end of 1954 because of a foot-and-mouth disease quarantine.

REVISED PHILIPPINE TARIFFS

On December 3, 1955 the Government of the Republic of the Philippines announced several changes in tariffs on meat and meat products. The tariff on ham and bacon, dry, cured, or smoked, (but not canned) was increased from $2.045 per hundred pounds (gross weight) to $20.45 per hundred pounds, net weight. The tariff on canned Bilbao-type sausages was raised substantially from 20 percent ad valorem to $ .8568 per pound plus 80 percent ad valorem.

Products of the United States are being taxed according to the terms of the recently announced United States--Republic of the Philippines Trade Agreement. Under the terms of this agreement United States products, until December 31, 1958 will be charged 25 percent of the rate imposed on goods of other countries; from January 1, 1959-December 31, 1961, 50 percent; from January 1, 1962-December 31, 1964, 75 percent; January 1, 1965-December 31, 1973, 90 percent; and from January 1, 1974 on, 100 percent.

PHILIPPINE REPUBLIC BUYS INDONESIAN CATTLE

Indonesian cattle exporters report that 650 head of cattle were exported from the Island of Bali to the Republic of the Philippines. Two hundred were delivered to the Philippine Government for breeding purposes, the remainder going to the Philippine Hide Association. Further negotiations for the private sale of additional cattle are now in progress.

NOVEMBER 1955 EXPORTS OF GRASS AND LEGUME SEEDS REMAINED AT LOW LEVELS

November 1955 exports of grass and legume seeds showed a sharp decrease over the corresponding record month of 1954, but still a marked increase over the 1,009,000 pounds exported during November 1953. Sluggish market conditions continued throughout the world and buying remained at a very low level. European countries which had very short supplies in 1954 because of unfavorable weather conditions, and therefore imported large quantities of United States seeds had an exceptionally good harvest season in 1955.

Kind of Seed	November 1954	November 1955	July 1, 1954 to November 30, 1954	July 1, 1955 to November 30, 1955
	1,000 pounds			
Alfalfa	2,929	636	5,038	2,473
Alsike	189	4	294	58
Other clovers	3,459	184	4,119	755
Fescue	275	47	737	312
Kentucky blue	219	67	412	167
Orchard	82	0	131	36
Redtop	36	133	85	210
Timothy	163	183	163	353
Other grasses	2,892	497	12,794	1,819
TOTAL	10,244	1,751	23,773	6,183

CERTAIN GRASS AND LEGUME SEEDS AVAILABLE FOR EXPORT

The following information has been made available by the United States Department of Agriculture to its Agricultural Attaches abroad regarding the grass and legume seed supply situation in the United States for the interest of foreign government agencies and seed merchants in other countries:

"United States harvests of grass and legume seeds reached a high level in 1955. Some of these seeds are now in surplus supply and therefore available for export. Prices of some seeds are now reported to be at very low levels."

The alfalfa seed surplus, mainly of hardy northern varieties, many of which are wilt-resistant, but including all varieties, is estimated to be 35,000 metric tons. The annual ryegrass seed crop is also of record size and the surplus is about 20,000 metric tons. Perennial ryegrass seed is in exportable surplus -- probably about 3,000 metric tons.

The 1955 Ladino clover seed crop added to the carry-over resulted in a surplus of 4,000 metric tons. The tall fescue varieties, Alta and Kentucky 31, are in surplus -- approximately 6,000 metric tons are available. The sudan grass seed crop, both of sweet and common, is in surplus -- approximately 10,000 tons.

NEW FLOUR MILL IN
AMAZON VALLEY

The first wheat flour mill to be built in the Amazon Valley has recently been completed by Ocrim do Brazil S. A., and is located in Belem, Para. The firm is a subsidiary of the Ocrim-Societa per l'Industria Meccanica of Cremona, Italy, with headquarters in Brazil at Sao Paulo, S.P. Machinery for the mill, imported from Italy, along with cost of buildings and other installations is estimated to have cost more than $550,000. The Ocrim do Brazil S. A., capital stock amounts to more than $1,250,000 and is controlled by Italian capitalists. The 24-hour input capacity of this mill is 150 metric tons of wheat, which corresponds to an output of 2,100 50-kilogram bags of wheat flour.

The mill started its industrial operations with about 4,400 metric tons of bagged wheat from Argentina, with the next wheat quota shipments expected in approximate amounts of 1,700 metric tons from Uruguay, 4,700 metric tons from Brazil, and 4,200 metric tons from the United States.

All flour produced will be for exclusive sale in the Amazon Valley where total monthly consumption requirements are said to be about 75,000 bags, but it is believed that the new mill will be unable to meet these requirements because of the low level of wheat import quotas.

Wholesale prices being asked by Ocrim do Brazil S.A., for its flour are $8.90 per 50-kilogram bag of pure wheat flour, and $8.84 for mixed wheat flour containing 6 percent manioc flour. C.I.F. Belem prices quoted by domestic mills in Rio de Janeiro and Recife are 13 to 40 cents higher, respectively, but sales representatives of these mills expect a price adjustment either by their mills or by the one in Belem.

U. S. RICE EXPORTS
DOWN IN NOVEMBER

Rice exports from the United States in November 1955 totaled 1,184,000 bags (100 pounds), somewhat less than the large shipments of 1,537,000 bags in October, but substantially above 620,000 bags in the same month of the year before. Principal destinations were Japan, Cuba, and Canada.

-RICE: United States exports, in terms of milled, to specified countries, November 1955, with comparisons 1/

Country of destination	August-July		August-November		November	
	1953-54	1954-55	1954	1955	1954	1955
	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags
Western Hemisphere:						
Canada	633	560	231	238	66	95
British Honduras	17	33	14	10	6	3
Honduras	3	30	9	15	3	1
Haiti	2	124	54	1	5	0
Cuba	4,755	3,391	2,143	1,295	431	331
Netherlands Antilles	53	38	14	11	2	3
Bolivia	5	0	0	110	0	0
Colombia	314	205	158	0	27	0
Venezuela	215	84	6	2/	3	0
Other countries	30	10	2	11	0	1
Total	6,027	4,475	2,631	1,691	543	434
Europe:						
Belgium & Luxembourg	206	460	130	124	4	12
Greece	11	5	0	2/	0	0
Ireland	0	16	16	0	1	0
West Germany	29	38	9	27	6	5
Netherlands	12	71	1	2/	0	0
Sweden	1	72	66	7	10	2/
Switzerland	57	53	43	11	2	4
Other countries	24	3/ 99	7	6	6	0
Total	340	814	272	175	29	21
Asia:						
Indochina	0	0	0	220	0	20
Korea, Republic of	4/ 590	2/	0	0	0	0
Japan	8,538	4,125	390	2,221	1	685
Saudi Arabia	130	136	88	34	37	13
Other countries	25	36	5	13	0	8
Total	9,283	4,297	483	2,488	38	726
Total Oceania	17	19	7	13	3	1
Liberia	67	219	79	71	2/	0
French West Africa	0	0	0	200	0	0
Other Africa	6	10	5	9	6	2/
Other	5/ 8	5/ 14	5/ 4	5/ 7	5/ 1	5/ 2
Total world	15,748	9,848	3,481	4,654	620	1,184

1/ Includes brown, broken, screenings and brewers' rice, and rough rice converted to terms of milled at 65 percent. 2/ Less than 500 bags. 3/ Includes 58,000 bags to Trieste and 23,000 bags to Austria. 4/ Adjusted to include all programs of the Department of Defense and the International Cooperation Administration. 5/ Starting with January 1954, "other" includes shipments valued at less than $500 each when the number of such shipments to a country in a given month is few.

Source: Bureau of the Census, except as noted.

Exports of 4,654,000 bags, in terms of milled rice, during the first 4 months of the 1955-56 marketing year (August-July) were 1,173,000 bags, or 34 percent more than in the like period of the preceding year. Of total exports during the 4 months, 48 percent went to Japan, and 28 percent to Cuba.

RICE: United States exports to specified countries, by classification, November 1955 1/

Country of destination	Rough: Unmilled	Rough: In terms of milled	Milled: Not over 25% whole	Milled: Over 25% whole	Total (in terms of milled)
	Bags	Bags	Bags	Bags	Bags
Western Hemisphere:					
Canada	117,644	76,469	8,500	9,730	94,699
British Honduras	0	0	1,000	2,000	3,000
Honduras	0	0	900	0	900
Canal Zone	0	0	0	134	134
Bermuda	0	0	0	318	318
Cuba	18,788	12,212	44,000	274,829	331,041
Jamaica	0	0	672	100	772
Netherland Antilles	0	0	0	2,892	2,892
Ecuador	600	390	0	0	390
Total	137,032	89,071	55,072	290,003	434,146
Europe:					
Belgium and Luxembourg	0	0	9,834	1,792	11,626
Denmark	0	0	0	338	338
West Germany	0	0	4,500	0	4,500
France	0	0	0	48	48
Sweden	0	0	0	44	44
Switzerland	0	0	0	4,295	4,295
Total	0	0	14,334	6,517	20,851
Asia:					
Iran	0	0	0	50	50
Israel	0	0	0	1,499	1,499
Saudi Arabia	0	0	0	13,205	13,205
Philippines	0	0	5,511	0	5,511
Japan	0	0	0	685,438	685,438
Nonsei and Nonpo Islands, n.e.s	0	0	0	100	100
Indochina	0	0	0	19,734	19,734
Total	0	0	5,511	720,026	725,537
Union of South Africa	0	0	500	0	500
Trust territory of the Pacific	0	0	0	1,450	1,450
Other	0	0	0	2/ 1,962	2/ 1,962
Total world	137,032	89,071	75,417	1,019,958	1,184,446

1/ Preliminary. 2/ Starting with January 1954, "other" includes shipments valued at less than $500 each when the number of such shipments to a country is few.

Source: Bureau of the Census.

SPANISH ORANGES REPORTED IN BETTER CONDITION

A decrease in the moisture content of the air and favorable weather throughout December have greatly improved the keeping condition of oranges in the Valencia growing districts. The excellent condition and good eating properties of the oranges this year is expected to increase consumption. If demand during the next month reaches the expected level, there may be a shortage of supplies. Prices will probably show a tendency to move upward as the season progresses.

SOUTH AFRICA TO TEST SHIPMENTS OF PLASTIC-COATED CITRUS

An Eastern Cape manufacturing firm has created a machine for coating citrus fruit with a film of plastic. The coating is supposed to preserve the fruit for 6 months, eliminating the need for refrigerated space, pre-cooling plants, and special railway trucks. It is claimed that the plastic will not affect the taste or condition of the fruit.

The first shipment of plastic-coated citrus from South Africa will leave for overseas markets sometime during the coming citrus season.

LARGE STOCKS OF APPLES IN ITALY

Italian exports of apples during the last quarter of 1955 were about 60 percent above exports in the same quarter of 1954. At the same time there are larger stocks on hand than at this time last year; cold-stores are full and large supplies are being kept in ordinary warehouses.

Latest estimates unofficially place the 1955 crop at least 20 per cent above last year's crop.

Italian apple exports to some countries have declined during the last 3 weeks, but are very high compared with other years. Britain has recently increased its purchases and it is expected that Germany will do likewise in view of its short fruit crop this year. Although Switzerland banned imports on January 16, Swiss firms have purchased large quantities of apples which are being held in cold-stores in Italy. These apples will be moved when the ban is lifted. Sales to Sweden are handicapped by the increased import duty.

Demand is mainly for Newtowns and other American varieties which are selling at higher prices than before Christmas. Kalterer and Italian Jonathan and Delicious are also in demand, but other Italian varieties are in little demand.

SMALLER 1955 CURRANT, RAISIN, AND FIG CROPS IN GREECE CONFIRMED

Recent estimates from Greece bear out earlier indications of a smaller 1955 dried fruit harvest than in 1954. A comparison with 1954 and the 5-year average (1948-52) follows:

	Average	1954	1955
	- - - - -	Short tons	- - - - -
Currants	88,000	77,000	63,000
Raisins (Sultanas)	32,500	46,000	43,000
Dried figs	24,600	30,000	28,000

Foreign demand for Greek dried fruits has been good this season.

Through December 20, over 33,000 short tons of currants were exported from Greece of a 1955-56 exportable surplus estimated at 61,000 tons. Average grower prices have ranged between 10.2 and 11.2 cents per pound through December 20, and f.o.b. prices about 13.5 cents.

Movement of Sultanas has been very active this season and up to December 1, over 34,000 tons had been exported of an estimated exportable surplus of 38,500 tons. At the beginning of the season export prices fluctuated from 10.6 to 11.3 cents, f.o.b. - about the same as a year ago- but have since increased to as much as 13.6 cents.

In the first 2 months of the new season - September and October - over 11,000 tons of dried figs were exported of a 1955-56 exportable surplus now estimated at 18,000 tons. There has been an increased European demand for better grades of dried figs. India and Australia, new outlets, have bought important quantities. Prices paid by United States importers have fluctuated from 10.5 to 11.0 cents per pound, about 10 percent below a year ago. Purchases by the United States thus far have been less than for several seasons.

FRENCH WALNUT CROP ESTIMATE UP

The 1955 commercial walnut crop in France is now estimated at 28,500 short tons, unshelled, compared with 26,500 tons in 1954. The total crop is only 1,000 tons larger than in 1954; but it is believed that a smaller tonnage of the crop was consumed locally because of the high prices prevailing, particularly in the early months of the season. Average commercial production (1948-52) is 17,300 tons.

During November, export prices for shipments to the United States reached a high of 77 cents per pound, shelled; but have since fallen and then steadied at approximately 66 to 68 cents. Movement to the United States has been very active and United States imports of shelled French walnuts this season may be the highest in many years. French stocks, at the close of the season, are expected to be small.

SPANISH ALMOND CROP DOWN, FILBERT CROP UP

The 1955 commercial crop of almonds in Spain, now estimated at 13,000 short tons, shelled, is the smallest crop in the 25 years for which records are available. Early spring frosts and severe August hailstorms were responsible for the reduced yield. The 1954 crop, also a short one, totalled 19,500 tons, while average production (1948-52) is 25,200 tons.

The 1955 commercial filbert crop in Spain is currently estimated at 12,000 short tons, unshelled basis, compared with the exceptionally short 1954 crop of 7,300 tons. Average production (1948-52) is 14,200 tons.

Stocks of almonds and filberts in Spain are reportedly extremely low.

1955 IRANIAN ALMOND CROP SMALL

The 1955 almond crop in Iran is still estimated at only 2,200 short tons compared with an average crop (1948-52) of 7,400 tons and the large 1954 crop of 8,800 tons. Exports this season are expected to total only about 1,200 tons, shelled basis. Exports in 1954-55 totalled 6,911 tons, shelled basis. Supplies in Iran are reportedly already exhausted. Local retail prices there are more than double those of last year, and at the present rate of exchange are equivalent to 78 cents per pound.

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CORRECTION

In the article headed "ARGENTINE HOG AND LARD OUTPUT, EXPORTS DOWN IN 1954", a second paragraph sentence should have read: "This would indicate a total (hog slaughter) of 1.09 million for 1955, or 9 percent below 1954". Through typographical error, it erroneously read "10.9 million".

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U. S. JULY-NOVEMBER WHEAT AND FLOUR EXPORTS LARGER THAN IN SAME PERIOD A YEAR AGO

United States wheat and flour exports during the first 5 months (July-November) of the 1955-56 marketing season amounted to 100 million bushels grain equivalent compared with 96 million during the same period a year earlier. The increase was accounted for mainly by a much higher level of exports to Japan, the Netherlands and Lebanon. Increased shipments were made also to Greece, Italy and Canada. Those to Canada, however, are believed to have continued on to markets in other parts of the world after arriving at St. Lawrence ports.

United States Wheat and Flour Exports During Stated Periods

Destination	July-November 1954			July-November 1955		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
	(Thousands of bushels, grain equivalent)					
Western Hemisphere						
Canada	2	36	38	1,296	135	1,431
Mexico	7	2	9	459	8	467
Cuba	503	1,320	1,823	514	1,251	1,765
British West Indies	-	1,095	1,095	-	1,041	1,041
Central America	231	1,358	1,589	362	1,861	2,223
Colombia	76	106	182	986	20	1,006
Venezuela	58	1,137	1,195	42	1,862	1,904
Peru	686	54	740	2,461	79	2,540
Chile	-	54	54	1,388	4	1,392
Brazil	5,592	2/	5,592	2,274	-	2,274
Others	1,045	1,967	3,012	583	1,817	2,400
Total	8,200	7,129	15,329	10,365	8,078	18,443
Europe						
United Kingdom	12,067	134	12,201	4,382	589	4,971
Netherlands	3,019	1,716	4,735	9,121	1,513	10,634
Belgium-Luxembourg	2,823	10	2,833	1,555	9	1,564
West Germany	14,256	11	14,267	9,278	1	9,279
Spain	2,254	-	2,254	545	3	548
Portugal	949	133	1,082	977	172	1,149
Italy	388	8	396	2,188	589	2,777
Yugoslavia	12,460	4	12,464	8,241	6	8,247
Greece	243	2	245	3,043	-	3,043
Others	2,333	717	3,050	465	641	1,106
Total	50,792	2,735	53,527	39,795	3,523	43,318
Asia						
Lebanon	3	385	388	-	1,013	1,013
Israel	1,768	4	1,772	1,772	5	1,777
Indonesia	-	58	58	-	356	356
Japan	12,447	250	12,697	22,646	396	23,042
Philippines	1	1,787	1,788	-	1,931	1,931
Others	4,875	1,773	6,648	3,969	1,825	5,794
Total	19,094	4,257	23,351	28,387	5,526	33,913
Others						
Africa	1,296	2,315	3,611	2,242	2,237	4,479
Oceania	-	8	8	-	6	6
Unspecified	-	71	71	3	84	87
Total	1,296	2,394	3,690	2,245	2,327	4,572
World Total	79,382	16,515	95,897	80,792	19,454	100,246

1/ Wholly of United States wheat.
2/ Less than 500 bushels.

Despite greatly increased shipments of wheat as grain during this 5-months period to Japan and the Netherlands, and substantially increased exports to Greece, Italy and Chile, total exports in that form amounted to only about 81 million bushels, or about the same as a year ago. On the other hand, total exports in the form of flour amounted to 19.5 million bushels, grain equivalent, against 16.5 million bushels a year earlier. The increased exports of flour were the result mainly of larger sales in Asian markets, particularly Lebanon, Indonesia and the Philippine Republic, and increased exports to Venezuela and Central American countries in the Western Hemisphere, and to the United Kingdom and Italy in Europe.

ITALY PRESSES CHEESE SALES IN U. S.

While Italian exports and sales of cheese, mostly sheep and goat milk cheese, to the United States has been substantial, the Italian dairy industry has been deeply concerned with the lack of movement of cow's milk cheese from Italy. While some of the cow's milk cheese is under import control in the United States, the high stocks of this type of cheese being built up in Italy has caused the dairy trade to look for more export sales. One of the directions in which they have looked has been the United States, and one of the large cheese exporters in Italy made a survey of the United States market according to IL LATTE, an Italian dairy journal.

The article quotes the exporter as stating that the demand for Italian cheese in the United States is seriously threatened because the demand for the cheese tends to grow less as second and third generation Italian families in the United States acquire American eating habits. An additional fact in the decline of Italian cheese sales in the United States is attributed to the loss of the traditional Italian neighborhood store in many of the larger cities in the United States. This store, it was found, is gradually being replaced by the supermarkets which distribute Italian cheeses only if there is a substantial demand for them.

The exporter thought that one of the attacks on the problem should be the adoption of the distinctive export trademark bearing the words "genuine Italian product".

It was also recommended that the Ministry of Foreign Trade make available dollars to the Italian Embassy in Washington for promotional advertising.

The IL LATTE article concluded with the statement that the plans were sound and it was expected that the Government would give them serious consideration.

Grana cheese, known better in this country as Parmesan and Reggiano, constitute the big problem since warehouses are reported as being nearly filled with unsold cheese of this type.

Many dairymen have taken exception to the Government's liberal trade policy under which Italy in 1954 imported more cheese, 51.5 million pounds, than the 37.7 million pounds it exported. The countries cited by the Italian farmers for their imports of competitive cheeses were France, Denmark and the Low Countries, although little of these imports were similar in type to the Grana cheese. The Government took cognizance of the complaints and raised the import duties on 4 of the 7 custom's classification for cheese (see Foreign Crops and Markets, Sept. 5, 1955).

PORTUGAL IMPORTS
U. S. BUTTER

Slightly over 661,000 pounds of U. S. Grade B butter was imported by Portugal late in 1955. Normally the dairy industry of continental Portugal and the Azores produces enough butter to meet domestic requirements and a 1.8 million pound export to Portuguese overseas territories. Short supplies, however, were caused by a drop in milk production, due to the summer drought, coupled with a shift toward cheese manufacture to take advantage of rising uncontrolled cheese prices.

Butter retails for 55.5 cents per pound and import duties amount to 19 cents per pound. A subsidy was paid to Pinto and Vasconcelos Lda., importer of the American Butter, in order to bring the price in line with the controlled prices of domestic butter.

Current stocks are low and even under normal conditions are usually sufficient to meet consumption requirements for only 2 or 3 weeks. Whether or not official approval will be given for the importation of another 661,000 pounds will depend on a price low enough to eliminate the need of paying a subsidy. Opinion is that an export price of 37 cents per pound f.a.s. for Grade B butter is not low enough to interest import control authorities.

DAIRY SITUATION IN WESTERN GERMANY
JANUARY-SEPTEMBER 1955

During the first 9 months of 1955, milk production in Western Germany was down 1.6 percent from the 29.4 billion pounds produced during the same period in 1954. The decrease was due to last summer's drought and to slightly reduced cow numbers, brought about by a tuberculosis eradication program and attractive beef prices. Production during the third quarter of 1955, however, was equal to the same quarter in 1954, due to increased production per cow.

Factory butter production for the January-September 1955 period totaled almost 498.5 million pounds, 31.3 million pounds below the same period in 1954. Imports, however, more than compensated for the decreased production. During the first 9 months of 1955, 53.2 million pounds of butter entered Germany from foreign sources, over 7 times the amount imported during the same period in 1954. Because of price, quality, transport facility, and delivery capacity, the bulk of the imported butter came from the Netherlands, Denmark, New Zealand and Sweden.

Factory cheese production totaled 260.4 million pounds for the first three-quarters of 1955, about 1.6 million pounds above the first three-quarters of the previous year. Cheese imports were also up from 1954 and stood at 108.8 million pounds for the 9-month period.

Canned milk production for the January-September 1955 period stood at 390.9 million pounds and dried milk production was 66.1 million pounds. Compared to the same period in 1954, these figures represented a 23 percent increase in canned milk and an 8 percent increase in dried milk production. Imports of processed milk and cream totaled 20.3 million pounds during the first 9 months of 1955 compared to 9.3 million pounds imported during the whole of 1954.

DENMARK'S EGG AND POULTRY EXPORTS TOTALED $80 MILLION IN 1955

Denmark's exports of eggs totaled approximately 1,743 million in 1955, according to a report made by Lauritz Nielsen, Chairman, National Committee on Poultry Breeding. This volume of exports was about the same as in 1954. In terms of value, the 1955 exports of eggs amounted to $69.5 million, compared to $68.5 million in the previous year.

The exports of slaughtered poultry in 1955 amounted to 27 million pounds, with a value of $10.1 million, compared to 25 million pounds valued at $9.1 million in 1954. During the past year the poultry industry accounted for the equivalent of $79.7 million dollars in foreign exchange earnings.

Western Germany is now Denmark's most important market for eggs. Last year this country took about 830 million eggs compared to 382 million eggs the previous year, whereas the United Kingdom - traditionally Denmark's largest market - received only 581 million eggs compared to 1,079 million in 1954. A little more than 166 million eggs were delivered to the U.S. Armed Forces in Germany. The Italian market took about 83 million compared to a negligible quantity in 1954.

ARGENTINA'S EXPORTS OF DAIRY PRODUCTS

In the first 10 months of 1955, Argentina's shipments of butter were about 28 percent below those of comparable 1954. The decline this year has been reflected in the absence of exports to the Soviet Union, the second largest market in the earlier year. In January-October, 1955, shipments to the United Kingdom, Germany, and Italy were above the 1954 level.

Cheese exports were down 10 percent, attributed to reduced trade with the United States.

Casein shipments were up 15 percent, an increase in exports to the United States more than offsetting the decrease in exports to the United Kingdom and Italy.

ARGENTINA: Exports of butter, cheese, and casein, January-October, 1955, compared with January-October, 1954.

Destination	Butter		Cheese		Casein	
	1954	1955	1954	1955	1954	1955
	1,000 pounds					
United Kingdom	11,346	12,242			6,877	4,648
United States	67	78	3,147	2,789	36,389	48,586
Germany	-	1,691	-	-	1,254	1,378
Italy	728	1,434	11	-	7,403	5,768
Finland	-	-	-	-	1,702	2,061
Netherlands	-	-	-	-	112	325
Sweden	-	-	-	-	1,546	997
Belgium	-	-	695	493	168	190
France	123	235	-	-	-	56
U.S.S.R.	8,422	-	-	-	-	-
Peru	1,221	1,624	347	392	22	-
Chile	3,338	224	22	-	504	302
Venezuela	-	-	2,016	1,994	325	403
Brazil	-	-	-	78	1,826	1,669
Japan	-	-	-	-	918	1,277
French No. Africa	437	638	-	-	-	-
Other countries	45	325	997	739	1,423	2,049
Total	25,727	18,491	7,235	6,485	60,469	69,709

NETHERLANDS' EXPORTS OF DAIRY PRODUCTS

Exports of butter of 72.4 million pounds from the Netherlands in the January-September period of 1955 were approximately 9 percent below comparable 1954. Reduced shipments to the United Kingdom, Eastern Germany and the Soviet Union accounted primarily for this decline. Cheese exports were down 5 percent to 144.4 million pounds, shipments to all markets in 1955 being smaller than a year ago, with the exception of Western Germany.

Shipments of condensed milk increased about 8 percent to more than 364.6 million pounds. Decreased purchases by Thailand, Malaya, Indonesia, Indochina and Belgium were more than offset by increased trade with other countries. The largest gain was by Cuba, which took 22.8 million pounds, an increase of almost 15 million pounds over the same period in 1954.

Exports of dried whole milk totaled 37.7 million pounds in the first 9 months of 1955, an increase of 8 percent over the corresponding months a year earlier. Most of the increase was due to larger shipments to Western Germany which amounted to 5.6 million pounds compared to only 0.8 million pounds in 1954.

Nonfat dry milk solids exports dropped about 40 percent to 13.1 million pounds. Denmark, which had been one of the principal purchasers last year with 10.7 million pounds, took less than 3 million pounds in the January-September period of 1955. India, another important buyer, took only 4.6 million pounds, compared to 8.8 million pounds a year earlier.

WORLD PRODUCTION OF CASTOR BEANS DOWN SLIGHTLY

World production of castor beans is believed to have declined slightly in 1955. The preliminary estimate of the Foreign Agricultural Service places the crop at almost 541,000 tons compared with the 1954 estimate now revised to 545,000 tons and the 1953 record output of 571,000 tons.

The unusual feature of the 1955 crop is that while production increased somewhat in the major producing areas of the world, Brazil and India, the increase was not enough to offset the decline in many of the minor producing countries. No allowance has been made for any change in the volume of output estimated to be produced normally in the Soviet Union and Manchuria. Consequently, the estimated decline is in the non-Communist areas of the world.

Roughly 50 to 60 percent of the estimated world production of castor beans originates in Brazil and India. On the basis of reported statistics, Brazil is the major producer. However, the estimates reported for India relate in the case of the major reporting states only to the pure crops of castor beans and not to the considerable acreage sown mixed with other crops. Reliable data are not available for this interplanted portion.

CASTOR BEANS: Production in specified countries and the world, averages 1935-39 and 1945-49, annual 1950-1955

(Short tons)

Continent and country	Average 1935-39	Average 1945-49	1950	1951	1952	1953	1954 1/	1955 1/
NORTH AMERICA								
Mexico	2,770	3,195	2,790	2,850	2,920	2,995	3,300	3,300
United States 2/	-	-	-	10,425	12,300	25,675	5,400	3/
Haiti	4/ 700	2,585	3,640	5,080	4,590	5/ 4,224	5/ 2,704	6/ 2,000
Estimated total 7/	3,705	6,340	7,055	19,110	20,450	33,635	12,075	7,670
EUROPE								
Italy	4/ 3,790	2,930	875	700	620	1,215	520	-
Yugoslavia	490	4/ 1,740	1,490	2,200	390	1,850	2,590	2,200
Estimated total	4,280	4,670	2,365	2,900	1,010	3,065	3,110	2,700
Other Europe, estimated total	2,885	1,955	2,240	3,310	2,240	3,320	2,250	2,250
All Europe (excl. U.S.S.R.), estimated total 7/	7,165	6,625	4,605	6,210	3,250	6,385	5,360	4,950
U.S.S.R. (Europe and Asia)	117,745	8/ 55,110	-	-	-	-	-	-
ASIA								
Iran	5/ 180	6,500	8,270	8,270	8,270	8,270	8,270	8,800
Manchuria	4/ 26,600	-	-	-	-	-	-	-
India 9/ 10/	127,456	133,728	143,360	116,480	117,600	118,720	120,960	125,440
Indochina	4/ 5,510	4/ 295	-	-	-	-	-	-
Indonesia	5/ 6,510	4/ 4,000	4,000	7,000	6,000	7,000	-	-
Korea 11/	4/ 1,425	4/ 2,215	1,130	1,300	1,160	1,200	1,150	-
Pakistan 9/	-	4/ 300	560	-	-	-	-	-
Thailand	-	4/ 550	5/ 8,047	5/ 14,127	5/ 19,406	5/ 19,215	5/ 15,881	-
Estimated total (excl. U.S.S.R.) 7/	170,780	176,135	193,940	176,335	181,545	183,565	181,420	186,550

CASTOR BEANS (Cont'd)

SOUTH AMERICA								
Argentina	8,800	3,265	4,935	2,800	1,100	2,190	5,110	-
Brazil	147,995	207,180	202,820	195,430	174,240	177,325	187,260	194,900
Colombia	4/ 785	12/ 5,130	-	-	-	-	-	-
Ecuador	4/5/ 29	2,800	7,100	8,365	10,900	5/ 9,431	5/ 9,242	13/ 6,515
Paraguay	4/ 3,275	4/ 1,065	1,100	14/ 1,340	14/ 950	14/ 2,760	14/ 885	-
Estimated total 7/	160,885	219,690	220,155	212,135	191,390	195,905	206,695	211,115
AFRICA								
Belgian Congo 15/	4/ 8	4/ 2,335	2,345	2,800	3,129	1,255	1,670	-
Tanganyika 5/	16/ 9	1,230	3,698	8,478	13,826	13,117	10,760	13/ 5,000
Uganda 5/	-	-	2,081	5,022	12,964	16,789	8,536	-
French West Africa	5/ 1,194	4/ 2,010	17/ 1,000	17/ 900	17/ 930	5/ 891	5/ 862	13/ 1,400
Madagascar	3,440	4,370	3,300	2,755	2,755	3,300	-	-
Mozambique	16/ 1,750	4/ 3,140	15/ 4,863	15/ 2,596	15/ 2,464	15/ 929	5/ 3,890	-
Angola	5/ 4,614	5/ 5,063	18/	5/ 5,178	5/ 5,768	15/ 6,280	5/ 3,130	13/ 1,000
Union of South Africa	-	-	450	4,000	7,500	11,500	-	-
Estimated total 7/	13,915	28,630	40,335	50,000	67,995	71,880	59,490	50,690
Estimated world total	474,195	492,530	531,090	543,790	544,630	571,370	545,040	540,975

1/ Preliminary. 2/ For the years shown, no commercial production other than for seed except in years beginning with 1951. 3/ Negligible. 4/ Average of less than 5 years. 5/ Exports of castor beans. 6/ Estimate based on United States imports. 7/ Includes estimates for the above countries for which data are not available and for minor producing countries. 8/ 1948 only. 9/ Prior to 1945 figures for India include Pakistan. 10/ Estimates for the pure crop only; reliable data for the interplanted crop not available. 11/ Beginning with 1947 figures are for South Korea only. 12/ 1946 only. 13/ Estimate. 14/ Imports into the United States of beans and oil, bean basis. 15/ Exports of beans and oil, bean basis. 16/ 1935 only. 17/ Commercial production. 18/ Exports amounted to 14,019 tons but represented a carry-over from previous crops rather than a large crop.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attachés and other United States representatives abroad, results of office research, and other information.

On the basis of the estimated quantity of castor oil produced, it is believed that total Indian production of castor beans actually may be twice the volume of the reported crop. This quantity of production would indicate that India is the major producer and that Brazil ranks second.

Production of the pure crop of castor beans in India in 1955 is reported officially at 125,440 tons, only slightly larger than the fairly constant outturn of the previous 4 years but 12 percent less than the relatively large crop of 1950. Castor oil production from the 1955 crop has been estimated roughly at 94,000 tons. This would indicate that total bean production may have been in the neighborhood of 210,000 tons. An estimated 94 percent of India's castor bean production is crushed for oil.

The preliminary official estimate of Brazil's 1955 crop is 194,900 tons or 4 percent above the revised official estimate for 1954 of 187,260 tons. Interest in castor reportedly has been declining in Sao Paulo as cotton and cereals are more profitable. However, production appears to have increased in the northeastern states. Exports of beans in recent years have been far below the annual volume of 100,000 to 150,000 tons which Brazil exported 6 years ago. Oil exports, however, have increased and total bean and oil exports in the past 3 years averaged about 94,000 tons.

Since the record harvest of 26,675 tons in 1953, production in the United States dropped sharply to only 5,000 tons in 1954 and a negligible quantity in 1955. The virtual elimination of commercial production reflects the discontinuance of the Government's guaranteed minimum price to domestic producers. Elsewhere in North America castor beans are grown on a relatively small scale also. Mexico's crops usually are around 3,000 tons and in Haiti production seems to have declined to 2,000 or 3,000 tons.

Next to India and Manchuria, which in prewar years averaged around 27,000 tons, the remaining portion of Asia's castor production is accounted for largely by Thailand, Iran and Indonesia. Production in Thailand is measured largely by exports which in 1954 amounted to 15,880 tons compared with over 19,000 the 2 previous years. Iran's output in 1955 reportedly was 8,800 tons. Indonesia normally produces 6,000 to 7,000 tons.

Minor castor-producing countries of South America include Ecuador, Argentina and Paraguay. Ecuador is believed to have exported only 6,500 tons in 1955 compared with over 9,000 tons in the 2 previous years. Exports are sent largely to the United States. Shipments from Paraguay have declined sharply the past 2 years.

Many countries of Africa produce relatively small quantities of castor beans. The Union of South Africa and Uganda probably are the largest producers. South Africa's output increased in 1953 to 11,500 tons. Uganda's exports in 1954 were 8,500 tons compared with 16,800 in 1953. Angola's exports, which are equivalent to production, dropped from 6,000 tons in 1953 to an estimated 1,000 last year.

SPAIN TEMPORARILY SUSPENDS OLIVE OIL EXPORTS; FLOOR PRICE RAISED 5 PERCENT

Spain suspended all olive oil exports temporarily on January 17, according to information received by the Foreign Agricultural Service. All pending applications for export licenses are being held in abeyance until a revised set of export regulations is issued.

It is reported that the new rules will call for a monthly export quota of 1,000 metric tons for oil shipped in drums and that up to 60 percent of this quota will be earmarked for export to the United States. However, it appears that exports in tins will not be subject to quota. It is also reported that the minimum official export price in drums will be raised to $60 per 100 kilograms; this price had only recently been upped to $57 from the $55 level set last crop year. It is likely that the Government may enlarge the export quota for olive oil when domestic requirements for imported vegetable oils for blending have been fully met.

Spain's action makes it the second Mediterranean country to restrict olive oil exports this season. Greece embargoed exports in mid-December.

The semi-official estimate of current Spanish olive oil production has now been lowered to 300,000 short tons, with most trade estimates still much lower.

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TURKISH FIG CROP DOWN

Contrary to earlier indications of an unusually large 1955 dried fig crop in Turkey of 35,000 to 37,000 short tons, most recent estimates indicate the 1955 crop amounted to approximately 31,000 short tons. The 1954 crop has been estimated at 33,000 tons. It is now estimated that 1955-56 Turkish exports of dried figs and fig paste will not total over 24,000 short tons compared with 1954-55 exports of 25,740 tons.

ISRAEL EXPANDS CITRUS ACREAGE

At the start of the 1954-55 citrus season there were about 47,000 acres of citrus in Israel as compared with about 31,500 in 1949. The rate of increase has been more rapid in the past three years than earlier. Plantings last year are reported to have equaled 6,000 acres. Continued expansion of citrus in Israel is expected.

WORLD PRODUCTION OF FATS AND OILS AT RECORD HIGH

World production of fats, oils, and oil-bearing materials in calendar 1955 1/ is estimated by the Foreign Agricultural Service at 28.5 million short tons, oil equivalent, on the basis of preliminary data now available. This volume of oil appears to be a record high, exceeding estimated output in 1954, now revised to 27.9 million tons, by 2 percent and average prewar production by almost one-fifth. Thus, with the substantial increase compared with prewar and the immediate postwar period, per capita supplies are holding at essentially the prewar level. This is especially true in view of the rapid expansion of synthetic materials that have displaced natural fats in the industrial field. This in turn has permitted large quantities of fats and oils (especially palm oils) to be transferred from industrial to food uses.

The most significant increases from 1954 occurred in the industrial and edible oils groups and the greatest decline was in the marine oils group. Output in all categories except marine oils exceeded both the prewar and postwar averages.

While the major portion of the over-all increase occurred in the free areas of the world, the expected increase in sunflower seed oil production is explained by the expansion that is believed to have taken place in the Soviet Union.

Edible vegetable oils production from raw materials grown in 1955 is forecast at 9,265,000 tons, or 3 percent more than output from 1954 crops. It is significant that the sharp increase estimated in sunflower seed oil production, which is expected to be one-fourth larger than from the 1954 crop, likely will be offset by an equally sharp decrease in olive oil output. But, with the expected increase in sunflower production accounted for by the expansion indicated in the Soviet Union, the decline in Mediterranean olive oil output becomes of even greater significance. To the loss in olive oil must be added the decline in sunflower oil output in the free world due to short crops in South America and an estimated 5 percent decline in sesame seed oil. Consequently, it now appears that the total decline in the free areas of the world will not be offset by the expansion in cottonseed, peanut, and soybean oils. Again in the case of sunflower seed, production in the Argentine was down in 1955 for the third successive year. The resulting deficit of edible oils necessitated the import of substantial quantities, largely from the United States. Crops also were down in Chile and Uruguay. (Text cont'd., p. 126.)

1/ Production of fats and oils in a given calendar year, as estimated here, is to a large degree that which is available for consumption and trade in the following year. Thus, in addition to the animal fats and marine oils actually produced, the total figure for any given year includes--less certain allowances for seed, feed, and food uses of raw materials, as well as losses--the oil equivalent of the oilseeds and the tree-crop oil materials grown and harvested in the Northern hemisphere, and the oil equivalent of oilseed and tree crops grown in the Southern hemisphere, where harvests normally begin before the close of the calendar year.

FATS, OILS, AND OILSEEDS: Estimated world production, averages 1935-39 and 1945-49, annual 1952-55

(1,000 short tons - fat or oil equivalent)

Commodity	Average 1935-39	Average 1945-49	1952	1953	1954	1955 1/
Edible vegetable oils 2/:						
Cottonseed	1,720	1,345	1,905	2,075	2,080	2,185
Peanut	1,665	1,880	1,870	2,015	2,005	2,085
Soybean	1,355	1,615	1,975	1,905	2,095	2,225
Sunflower	620	830	1,040	1,025	990	1,240
Olive oil	970	915	845	1,275	1,055	790
Sesame	715	705	765	750	775	740
Total	7,045	7,290	8,400	9,045	9,000	9,265
Palm oils 3/:						
Coconut	2,135	1,620	2,060	2,030	2,210	2,250
Palm kernel	400	335	425	445	470	455
Palm	1,090	1,000	1,270	1,335	1,375	1,370
Babassu kernel	30	20	30	30	38	40
Total	3,655	2,975	3,785	3,840	4,093	4,115
Industrial oils 2/:						
Linseed	1,145	1,100	1,050	992	1,010	1,120
Castor bean	200	210	235	245	233	230
Rapeseed	1,330	1,540	1,815	1,635	1,673	1,845
Oiticica	10	12	5	9	6	5
Tung	150	118	126	123	105	95
Perilla	65	5	6	6	5	5
Total	2,900	2,985	3,237	3,010	3,032	3,300
Animal fats:						
Butter (fat content)	4/ 4,280	5/ 3,450	3,640	3,860	3,960	3,775
Lard	3,500	3,070	4,210	4,000	4,015	4,225
Tallow and greases	1,550	2,000	2,420	2,720	2,760	2,850
Total	9,330	8,520	10,270	10,580	10,735	10,850
Marine oils:						
Whale	545	280	460	420	455	415
Sperm whale	30	40	85	55	75	85
Fish (incl. liver)	480	275	445	460	510	480
Total	1,055	595	990	935	1,040	980
Estimated world total	23,985	22,365	26,682	27,410	27,900	28,510

1/ Preliminary. 2/ In the case of vegetable oilseeds, oil production has been estimated by assuming for each of the various crops that a certain proportion was crushed for oil. The years shown refer to the years in which the seed was produced and not necessarily when the oil was extracted. 3/ Estimated on the basis of exports and the limited information available on production and consumption in the various producing areas. 4/ 1934-38 average. 5/ 1946-49 average.

A second significant factor in world production of edible oils is that the 3 leading edible vegetable oilseed crops each reached record levels in 1955. The record cottonseed outturn was due principally to the large crop in the United States, which accounts for about one-third of the world total. Increases also were registered in most of the other important producing areas except India. World production of soybeans was at an all-time high with two-thirds of the increase from 1954 explained by the United States, an estimated one-fifth by China-Manchuria, and most of the remainder by Japan. And in the case of peanuts, the increase in production in the United States contributed heavily to the new world record. Moreover, harvests in Africa are expected to be considerably larger than a year ago, India's crop was near the high level of 1954, and China's production is reported to have been better than in the previous year.

As mentioned above, oil production from the 1955 crops of olives is expected to be down one-fourth. In the alternating high and low cycle normally characteristic of olive production--other factors being normal--1955 would have been a good year. But, because of unfavorable weather, heavy insect damage, and olive diseases, oil outturn may be the lowest since 1950. Production reportedly is down rather sharply in all the important olive-growing countries of the Mediterranean Basin, which accounts for over 98 percent of the total, except possibly in Portugal.

A decline of about 5 percent is foreseen in sesame oil. Production of sesame seed dropped largely because of shorter crops in India and Mexico.

Production of oil in the palm group in 1955 is estimated at 4,115,000 tons or slightly (less than one percent) larger than the previous year. Coconut oil production is estimated to have been about 2 percent larger than in 1954 and the largest since 1951, the peak year of production. In the Philippines, 1955 was a good year; copra and coconut oil production increased about 7 percent and exports increased 8 percent. Moreover, a general improvement in quality was apparent and foreign market demands were favorable. Copra production in Ceylon also appears to have increased significantly in 1955. In Indonesia, exports were down sharply but production may have approached the 1954 level. And in Malaya, production is believed to have been less than in 1954 but larger than in the 2 previous years.

Indications are that palm oil production approximated the high level of the previous year. A marked expansion occurred in the Belgian Congo, where output probably attained a record high. Less significant increases possibly occurred in Indonesia and Malaya. However, in Nigeria, the leading producing country, Marketing Board purchases of oil through November were down some 20,000 tons from the comparable period of the previous year.

Palm kernel oil production dropped an estimated 3 percent due largely to the decline in Nigeria where purchases of kernels through November were down, as with oil, roughly 20,000 tons.

Some recovery was reported for Brazilian babassu in 1955 and prospects are good for an even larger crop this year.

Industrial oils production from 1955 crops is estimated at 3,300,000 tons, representing an expansion of 9 percent from 1954 and apparently a record outturn. The over-all increase is the result of the 10 percent increase in both flaxseed and rapeseed crops. Larger flaxseed harvests in India and Canada and an indicated expansion in the Soviet Union offset by more than 13 million bushels the sharp drop in Argentina and minor decreases in other countries, including the United States. The most significant increase occurred in Canada, where output almost doubled that of the previous year and was the largest since 1912. In contrast, the Argentine harvest now appears to be the lowest since 1916.

The 10-percent expansion in rapeseed production reflects principally the larger crop believed to have been harvested in China and the increase in India, the world's major producers. Sizable increases, however, also were realized in Pakistan, Japan, France, and Canada. Sweden's crop was down.

Castor bean production is estimated to have dropped slightly, in spite of some increase in both Brazil and India -- by far the major producers. Reflecting the discontinuance of the Government's guaranteed minimum price to domestic producers, commercial production of castor beans was virtually eliminated in the United States. Production in many other minor producing areas also is believed to have declined.

Reliable information is lacking on total tung oil production because of the important influence of China. World production probably decreased, however, because of the smaller tung crops in Argentina, Brazil, and Paraguay and a near crop failure in the United States.

Production of animal fats in 1955 appears to have reached a record 10,850,000 tons with increases in lard and tallow and greases more than offsetting a decline from 1954 in world butter production. Compared with the 1945-49 total, animal fats production has increased by 2,330,000 tons or 27 percent.

World lard production (including unrendered hog fat in terms of lard) in 1955 was substantially larger than the 4,015,000 tons produced during 1954. Most of the increase was in the United States, but production also was larger in almost every other major pork-producing country.

World production of tallow and grease in 1955 continued at a very high level, and a further increase is in prospect for 1956. Estimated production in 1955 of 2,850,000 tons was nearly 80 percent above the prewar average. The increase in recent years has been largely the result of increased cattle slaughter in the United States, which accounted for over one-half of the world's output of tallow and grease during 1955.

European production of tallow and grease has continued to increase since the end of World War II and is now above prewar levels. This area, however, is still a large net importer. Other important producers are Canada, Mexico, Argentina, Brazil, Colombia, Uruguay, Australia, and New Zealand. Of these, Australia and New Zealand are the only exporters of importance. Production in Argentina was at a low level in 1954, but increased sharply in 1955.

Output of marine oils in 1955 declined from 1954 by about 6 percent and fell just below the million-ton mark reached in the prewar years and in 1951 and 1954. Whale oil production dropped with a reduced whale catch in the Antarctic during the 1955 season; and fish oils output was indicated to be less in Northern European countries. On the other hand, sperm whale oil production increased.

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INDIA'S EXPORT POLICY ON SOME FATS AND OILS PRODUCTS

According to an announcement by the Government of India dated December 14, exports of hand-picked selected peanut quotas were extended from February to March 31, 1956.

On December 19, peanut oil quotas allotted to crushers, which previously were effective until December 1955, were extended to cover shipments prior to February 29, 1956. And on December 22 it was announced that where the export quota to a particular crusher works out to less than 5 tons, an export allotment of a minimum of 5 tons will be given.

The Government of India also announced on December 19 that free licensing of linseed oil exports to all permissible destinations will continue until there is further notification.

Free licensing of castor oil exports to all permissible destinations without any quantitative restrictions will continue through the end of June 1956. This free licensing was instituted in the first week of January 1955, probably with a view to boost the sagging market for castor oil. Prices continued to fall until the middle of 1955, but then showed an upward trend. In Bombay the price was quoted at 34 rupees 14 annas a maund (approximately 8.9 U. S. cents per pound) on December 3, 1955.

ARGENTINE FLAXSEED CROP LOWEST SINCE 1916; GUARANTEED PRICE DOUBLED

Argentina harvested the smallest flaxseed crop since 1916 during the current season. The first official crop estimate just released of 10,670,000 bushels compares with last year's 16.3 million bushels (revised) and with the previous postwar low of 12.3 million bushels in the drought year 1951-52.

At normal yields, the current production estimate indicates that harvested acreage was also smaller than in any previous year. Acreage had been declining steadily since the mid-1940's due to the loss of important export markets and the lack of price incentives for producers. This trend is expected to be halted, if not reversed, in the coming crop year as a result of the recently announced boost in the guaranteed price for flaxseed from 75 to 140 pesos per kilo.

The announcement came too late to have any effect on 1955 plantings of flaxseed, but producers are already getting the new price for the current crop. Higher guaranteed prices for sunflower seed (raised from 100 to 130 pesos per kilo) and for peanuts (from 140 to 180) may have affected the acreage of these crops, planting of which sometimes stretches into December.

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BRAZIL REDUCES EXPORT PRICE FOR COTTON

The Bank of Brazil announced on January 11, 1956, that Brazilian cotton will be licensed for export at 12 percent below New York cotton futures (near-month) quotations, less freight and insurance costs from Brazilian ports to New York. Quotations in effect since late October 1955 were based on a 5-percent discount. During the 2 years prior to October 1955, Type 5, Sao Paulo cotton was exported at prices even with the New York near-month futures quotations for Middling 15/16 inch. Terms of the new announcement include: (1) cotton export licenses to be issued for cotton sold at prices as low as 12 percent (FOB Brazil ports) below New York quotations, for convertible currencies, agreement dollars from Germany, Japan, and Italy (if cotton is consumed in Italy), ACL dollars (Area of Limited Convertibility) for the United Kingdom, Germany, the Netherlands, and Belgium, and French francs; (2) 5 percent below New York price for other currencies, under specified conditions; and (3) an additional 2 percent discount for advance payment sales.

The amount of exportable cotton on hand in early January 1956 is estimated at 85,000 to 90,000 bales, most of which is Type 6 and lower. Much of this cotton is similar in quality to the million bales of United States cotton now being sold for export from CCC stocks. Harvest of the next crop of cotton in South Brazil will begin about March 1, and will not reach export channels in quantity until April or May. Brazil's 1954-55 exports of 1,020,000 bales (500 pounds gross) were down 380,000 bales from the previous year. Exports in August 1955 (the latest month available) totaled only 76,000 bales against 123,000 for August 1954.

WORLD COTTON PRODUCTION AT RECORD HIGH

World cotton production in 1955-56 is now estimated at 40.3 million bales (500 pounds gross), a new record high. This indicated 1955-56 world production is 4 percent larger than the 1954-55 crop of 38.6 million bales, and exceeds average world production in the immediate postwar period, 1945-49, by about 57 percent. The upward revision of 0.4 million bales from the 1955-56 estimate released last November was mainly a result of larger estimates for the United States, Syria, Mexico, Spain, and Tanganyika. These increases have more than offset lower production prospects, caused mostly by adverse weather conditions, in India, Pakistan, Egypt, Turkey, Argentina, and Nicaragua.

The United States crop (December estimate) is larger than in the previous season by almost 1.0 million bales, or 7 percent, despite a 12-percent reduction in harvested acreage. Average yield of 416 pounds per acre is 22 percent higher than the previous record of 341 pounds reported last year. The estimate of area harvested in 1955-56 is slightly higher than indicated in October, but is 2.4 million acres lower than in 1954-55. The area to be planted in 1956 is restricted to 17,437,000 acres, compared with last year's allotment of 18,159,000 acres, and actual plantings (July 1 acreage) of 17,489,000.

In non-Communist foreign countries, 1955-56 cotton production is now estimated at 16.4 million bales. A reduction of about 0.3 million bales since the November report has resulted mainly from heavy rains and floods in India, Pakistan, Turkey, and Nicaragua, and late frosts, floods, or insect damage in some South and Central American countries. Unfavorable weather in these countries naturally has tended to lower the quality of the crop to some extent as well as the yield per acre. Despite these setbacks, 1955-56 cotton production in the foreign Free World still is 3 percent above 1954-55, and 18 percent higher than in 1953-54.

Communist countries have stepped up production in recent years, from 8.8 million bales in 1953-54 to an estimated 9.2 million bales in 1955-56, mostly in the Soviet Union and China. Information on cotton crops in these countries received in recent months is insufficient to justify revision of estimates used in the November report. Governments of Communist countries are reported to have placed heavy emphasis on expansion of cotton production, and have provided all aid at their disposal to reach the higher goals included in state plans.

The sharp rise in foreign cotton production in recent years has resulted mainly from increased acreage, but there also have been substantial increases in yields over those in recent years. Between 1953 and 1955, acreage in all foreign countries increased by 6.8 million acreas while that in the United States was reduced by 7.5 million.

Increases in foreign cotton acreage since 1953 are attributed principally to five factors: (1) higher profits of cotton compared with those from most other crops; (2) the completion of new and improvement of old irrigation systems; (3) the importance of cotton exports in earning foreign exchange; (4) the availability of large surpluses of food grains on world markets, thus permitting diversion of more land from food crops to cotton; and (5) the stability of world cotton prices based in part on United States price support guarantees. New irrigation projects no doubt will eventually provide additional acres for cotton. Diversion of much additional land from food crops to cotton does not appear likely under present cost-price relationships. Also, over a longer period, increasing food requirements should eventually gain priority over cotton for the limited areas of cultivable land, and at an accelerated rate if cotton prices should decline further in relation to those of foods crops.

In addition to the increase in cotton acreage, special emphasis is being placed on increased yields in many foreign countries through use of mechanized equipment, irrigation, insecticides, improved seed, and better cultivation practices. Also, some foreign governments have taken action to improve the competitive price position of cotton by adjusting export taxes and price supports, as well as altering foreign exchange rates.

The outlook for 1956-57 production in non-Communist foreign countries as a whole is for no further increase and possibly a slight decrease, mostly as a result of the 20 to 25 percent decline in prices quoted for foreign growths onexport markets in 1955. This price decline, together with continued uncertainty as to the magnitude and types of cotton export programs that may be undertaken in the United States next season, has caused a contraction of credits offered to foreign producers of cotton. On the other hand, investments in gins, farm implements, and new irrigation systems, and a desire on the part of most governments to maintain cotton exports as a source of foreign exchange earnings will probably forestall any significant reduction in acreage this year. Governments of Communist countries will no doubt continue their efforts to increase cotton production as long as it can be absorbed within the Communist bloc, or is needed to balance trade with Free World countries, especially in Europe. (For additional details on world cotton production, refer to Foreign Agriculture Circular FC-1-56 of January 26, 1956.)

(See tables, next two pages.)

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of U. S. Agricultural Attaches and other FAS representatives abroad.

COTTON: Acreage and production in specified areas, averages 1935-39 and 1945-49, annual 1953-55 1/

Continent and country	Acreage					Production 2/				
	Average					Average				
	1935-39	1945-49	1953	1954 3/	1955 3/	1935-39	1945-49	1953	1954 3/	1955 3/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
NORTH AMERICA										
El Salvador	9	35	54	76	110	5	21	57	90	130
Guatemala	-	8	27	39	52	2	5	27	40	65
Mexico	725	1,034	1,860	1,820	2,765	334	577	1,210	1,780	2,090
Nicaragua	9	11	100	190	250	5	7	109	205	200
United States	27,788	21,258	24,341	19,251	16,882	13,149	12,104	16,465	13,696	14,663
British West Indies	20	12	13	-	-	5	4	3	-	-
Haiti	-	37	40	50	-	22	10	7	8	-
Total 4/	28,642	22,403	26,442	21,446	20,131	13,523	12,730	17,881	15,825	17,163
EUROPE										
Bulgaria 5/	85	82	-	-	-	35	20	-	-	-
Greece	168	111	220	270	410	76	52	139	190	270
Italy	56	40	124	125	-	21	11	35	37	39
Rumania 5/	8	102	-	-	-	2	-	-	-	-
Spain	46	130	217	267	406	10	18	82	95	150
Yugoslavia	8	-	18	29	35	3	-	5	7	8
Total 4/	372	511	964	1,086	1,376	147	127	366	444	582
U.S.S.R. (Europe and Asia)	5,087	3,697	-	-	-	3,430	2,328	-	-	-
ASIA										
Aden	-	-	22	41	-	-	-	18	18	-
Cyprus	11	5	13	13	-	3	1	3	3	-
Iran	453	239	555	620	800	171	85	240	275	275
Iraq	53	22	51	100	100	11	5	17	31	27
Syria	85	59	370	463	500	28	32	220	365	415
Turkey	667	645	1,495	1,440	1,520	249	268	638	650	620
Afghanistan	-	-	100	150	-	49	16	60	90	-
Burma	428	178	400	450	-	97	32	100	110	-
China (incl. Manchuria)	7,038	5,831	10,200	9,600	-	2,855	1,939	3,200	3,100	-
French Indochina	36	-	-	-	-	6	2	-	-	-
India	6/ 24,204	11,306	17,027	18,350	19,000	6/ 5,348	2,304	3,730	4,400	4,000
Korea 7/	564	344	305	296	-	198	89	75	75	-
Indonesia	27	-	-	-	-	9	4	2	6	-
Pakistan	6/	2,965	2,930	3,185	3,100	6/	1,024	1,215	1,300	1,300
Thailand	16	84	100	100	-	7	26	39	39	-
Total 4/	33,805	21,827	33,614	34,873	36,342	9,038	5,835	9,566	10,474	10,287

SOUTH AMERICA										
Argentina	770	962	1,350	1,300	1,300	289	427	635	520	500
Brazil	5,562	4,520	4,000	4,500	-	1,956	1,352	1,465	1,630	1,800
Colombia	98	-	200	230	-	23	27	92	122	110
Ecuador	40	41	36	36	-	13	11	12	12	15
Paraguay	111	123	150	173	-	40	47	62	57	-
Peru	428	345	531	540	540	379	308	475	510	495
Venezuela	50	-	30	40	-	11	11	13	14	12
Total 4/	7,060	6,177	6,302	6,825	7,339	2,711	2,184	2,756	2,867	2,989
AFRICA AND OCEANIA										
Anglo-Egyptian Sudan	439	371	652	685	-	248	246	400	407	400
Belgian Congo	874	745	900	850	-	172	195	240	225	-
Kenya	-	51	95	95	-	13	6	14	13	-
Nyasaland	84	-	85	-	-	12	8	9	12	-
Tanganyika	-	-	190	250	-	50	38	42	82	100
Uganda	1,477	1,324	1,611	1,739	1,686	281	227	331	250	300
Canary Islands	-	2	5	-	-	-	1	3	-	-
Egypt	1,821	1,367	1,375	1,639	1,885	1,893	1,456	1,461	1,598	1,760
French Equatorial Africa	390	-	700	800	-	41	104	140	160	-
French North Africa	1	5	28	30	-	8/	2	15	15	-
French West Africa	-	-	-	-	-	28	14	35	40	-
Mozambique	-	557	700	710	- 9/	33	104	145	125	150
Nigeria	-	-	400	-	-	36	48	135	170	180
Angola	73	-	120	150	-	13	24	25	30	28
Southern Rhodesia	2	5	10	8	10	8/	2	3	2	3
Union of South Africa	-	12	60	90	-	2	3	20	26	-
Australia	53	5	9	13	-	11	1	4	4	-
Total 4/	6,176	5,710	7,153	7,795	8,112	2,840	2,483	3,031	3,175	3,439
World total 4/	81,142	60,325	80,475	78,525	79,800	31,689	25,687	39,100	38,585	40,260

1/ Years refer to crop years, beginning August 1, in which major portion of crop was harvested. 2/ Production in bales of 478 pounds net prior to 1946 and 480 pounds thereafter. 3/ Preliminary. 4/ Includes estimates for minor-producing countries not listed above and allowances for other figures not available. 5/ Figures for 1943 to date are not comparable with prewar figures because of boundary changes. 6/ Pakistan included with India. 7/ South Korea only, after 1941. 8/ Less than 500. 9/ Exports.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics, reports of United States Agricultural Attaches and other United States representatives abroad and results of office research.

SWITZERLAND INCREASES COTTON CONSUMPTION IN 1954-55

Cotton consumption in Switzerland amounted to 173,000 bales (500 pounds gross) during the August-July 1954-55 marketing year, an increase of 6 percent over the 163,000 bales consumed in 1953-54, and 17 percent higher than the 147,000-bale consumption in 1952-53. General conditions in the Swiss textile industry reportedly are good, although some sectors are less favorably situated than others. Consumption of United States cotton increased from 35,000 bales in 1953-54 to 42,000 bales in 1954-55, whereas consumption of Egyptian cotton decreased from 61,000 bales in 1953-54 to 56,000 in 1954-55. Consumption of Mexican and Peruvian cotton also increased in 1954-55, but not so much as that of United States origin.

Switzerland's cotton imports in 1954-55 amounted to 171,000 bales, an increase of about 2 percent over imports of 168,000 bales in 1953-54, but 11 percent higher than the 1952-53 imports of 154,000 bales. Imports of United States cotton increased from 17 percent of the total in 1953-54 to 30 percent in 1954-55. Imports from Egypt declined from 40 percent of the total in 1953-54 to 23 percent in 1954-55. The four major sources of Switzerland's cotton, the United States, Egypt, Peru, and Mexico, supplied 86 percent of all cotton imports in 1953-54, and 84 percent in 1954-55. Their participation has been even higher in some preceding years.

SWITZERLAND: Imports of cotton from major countries of origin; averages 1945-49; annual 1952-54; August-October 1954 and 1955

(Equivalent bales of 500 pounds gross)

Country of origin	Year beginning August 1				August-October	
	Average 1945-49	1952	1953	1954	1954	1955
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Anglo-Egyptian Sudan	1/ 1	1	1	1	0	1
Belgian Congo	2/ 5	1	2	3	1	3/
Brazil	18	1	9	7	2	3/
Egypt	31	68	68	39	8	6
India and Pakistan	5	2	1	4	0	1
Mexico	2/ 9	14	22	25	11	13
Paraguay	6	1	2	1	3/	1
Peru	30	20	25	28	10	7
Syria	4/ 1	9	1	3	3/	0
United States	30	35	29	52	15	2
Other countries	2	2	8	8	3	4
Total	138	154	168	171	50	35

1/ 3-year average. 2/ 4-year average. 3/ Less than 500 bales. 4/ 2-year average.

Source: Statistique Mensuelle du Commerce Exterieur, Agricultural Attaches, and other U. S. representatives abroad.

Cotton stocks in Switzerland amounted to 98,000 bales on August 1, 1955, practically unchanged from the 100,000 bales held a year earlier.

SWEDEN'S COTTON CONSUMPTION CONTINUES AT LAST YEAR'S LEVEL

Sweden's cotton consumption of 135,000 bales (500 pounds gross) during the August-July 1954-55 marketing year was almost identical with consumption in 1953-54, and approximately the same rate has been continued into the first 3 months (August-October) of the 1955-56 season. Consumption of United States cotton increased considerably in the last 2 years, amounting to 51,000 bales or 38 percent of the total in 1954-55, as compared with 41,000 bales and 30 percent in 1953-54. The higher rate for consumption of United States cotton has continued into the August-October 1955 period, amounting to 14,000 bales or 37 percent of the total. Consumption of Mexican cotton has also increased in the period under review, amounting to 10 percent of the total in 1953-54, 14 percent in 1954-55, and 19 percent in August-October 1955. Declines were registered in the use of cotton from Pakistan, Brazil, and Egypt.

SWEDEN: Imports of cotton by countries of origin; crop years 1951-52 to 1954-55; Autust-October 1954 and 1955

(Equivalent bales of 500 pounds gross)

Country of origin	Year beginning August 1				August-October	
	1951	1952	1953	1954	1954	1955
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Belgian Congo	3	7	9	10	2	2
Brazil	12	1	23	11	9	5
British East Africa	1	3	2	1	1	0
Egypt	2	19	8	3	1/	1
Mexico	22	13	9	14	7	4
Nicaragua	2/	5	4	7	1/	0
Pakistan	1	17	12	5	1/	1
Paraguay	2/	6	10	3	2	1/
Peru	4	12	3	2	1	1
United States	107	40	44	56	6	7
U.S.S.R	2/	0	0	14	6	2
Other countries	5	1	4	8	4	2
Total	157.	124.	128.	134.	38.	25.

1/ Less than 500 bales. 2/ If any, included with "Other countries".

Source: State Trade and Industry Commission, and U.S. Agricultural Attaches.

The United States has been the principal supplier of Sweden's cotton in recent years. Total cotton imports by Sweden in 1954-55 amounted to 134,000 bales, with imports from the United States amounting to 56,000 bales or 42 percent of the total. In 1953-54, the total was 128,000 bales, with 44,000 bales or 34 percent of the total from the United States.

Swedish imports during the August-October quarter have been considerably below normal, and mill stocks have declined as a result, amounting to only 93,000 bales on November 1, 1955, as compared with 102,000 bales held on August 1, 1955. Mill stocks plus undelivered purchases at the end of October corresponded to 8 to 9 months' normal consumption. Prices of yarn and textile products have remained practically unchanged in the past year. The tariff increase in July 1955 has to some extent reduced the competition from imported cotton products.

COTTON IMPORTS AND CONSUMPTION DECLINE IN U.K.

Cotton imports by the United Kingdom in the August-July 1954-55 marketing year amounted to 1,489,000 bales, representing a 15-percent drop from imports of 1,752,000 bales in 1953-54, but 11 percent higher than the 1952-53 imports of 1,316,000 bales. Imports from the United States have increased during the last 3 years, amounting to 366,000 bales in 1952-53, 451,000 in 1953-54, and 530,000 in 1954-55. Imports from the U.S.S.R. increased sharply in the period under review--from no imports in 1952-53 to 22,000 bales in 1953-54 and 103,000 in 1954-55.

Declining imports were registered in 1954-55 for most of the other major cotton suppliers, being most pronounced for Egypt, Brazil, and the Sudan. Imports in the first 3 months (August-October) of the 1955-56 season have amounted to 316,000 bales, down 14 percent from the 367,000 bales imported in August-October 1954. The decline in total imports of cotton in recent years is attributed mainly to the fact that the Raw Cotton Commission was gradually liquidating the large stocks accumulated during its 10-year existence as sole importer of cotton into the country.

Cotton imports into the United Kingdom will continue to be under general open license as they have been since the reopening of the Liverpool Cotton Futures Market on May 18, 1954. Dollars are released by the British Treasury to United Kingdom importers of cotton and certain other major United States agricultural products without restriction as to amount.

Cotton consumption in the United Kingdom in 1954-55 amounted to 1,760,000 bales, a decline of 4 percent from the 1,828,000 bales consumed in 1953-54. Conditions in the textile industry reportedly have improved somewhat in the early months of the 1955-56 season, however, and some shortage of workers is foreseen if the recovery extends into the spring months. During the past year, some 30,000 workers have left the textile mills because of lack of full-time employment, and uncertain prospects in the industry. Duty-free imports of textiles from India, Hong Kong, and other Commonwealth countries have been a controversial issue during the past year, but no government action has been taken to alter the situation.

Cotton stocks in the United Kingdom on August 1, 1955, amounted to 570,000 bales, declining 35 percent from the 875,000 bales held a year earlier.

UNITED KINGDOM: Imports of cotton by countries of origin; averages 1935-39 and 1945-49; annual 1951-54

(Equivalent bales of 500 pounds gross)

Country of origin	Year beginning August 1					
	Averages					
	1935-39	1945-49	1951	1952	1953	1954
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Anglo-Egyptian Sudan	143	195	308	127	225	117
Argentina	43	4	2	95	48	37
Belgian Congo	1/	69	42	29	28	8
Brazil	240	333	152	69	207	131
British East Africa	35	65	133	107	83	37
British West Africa	26	33	53	94	127	123
Egypt	617	379	72	72	210	69
El Salvador	0	2/ 6	4	3	16	11
India and Pakistan	416	125	77	120	102	89
Iran	0	2/ 1	0	2	11	15
Mexico	1/	2/ 5	102	59	17	41
Nicaragua	0	2/ 4	3	2	11	9
Peru	184	81	119	77	98	50
Syria	1/	2/ 12	50	46	31	49
Turkey	1/	2/ 19	5	19	2	0
United States	1,348	487	681	366	451	530
U. S. S. R.	1/	3/ 36	1/	0	22	103
Other countries	76	6	15	29	63	4/ 70
Total	3,128	2/ 1,830	1,818	1,316	1,752	1,489

1/ If any, included in "Other countries." 2/ 1949-50 only available data. Total does not add because of these 1-year figures. 3/ 2-year average. 4/ Includes Aden 15 and Netherlands 14.

Source: Trade and Navigation of the United Kingdom and the Raw Cotton Commission.

UNION OF SOUTH AFRICA NEEDS ABOUT
10 MILLION POUNDS OF LEAF TOBACCO

Leaf production in the Union of South Africa for the 1955-56 crop is estimated at 35 million pounds, according to a recent report. Factory usings during 1956 are expected to total about 50 million pounds, leaving a deficiency of about 15 million to be imported. Stocks on January 1, 1956, including the 1954-55 crop, were approximately equal to a 9-month supply. Of the total deficiency, about 4 million pounds are expected to be imported from the Rhodesias, with the remainder coming from other sources. Imports other than from the Rhodesias will depend upon the actual size of the 1955-56 crop.

Whether the United States will be able to export tobacco to the Union will depend on the availability of supplies from the Central African Federation's 1955-56 crop. The duty on unmanufactured tobacco, exclusive of that imported under special agreements with the Federation, is 3s-6d per pound (about 50 U.S. cents). The present agreement, concluded in mid-1955, permitted the importation into the Union a record of about 10 million pounds of Federation leaf tobacco during 1955, duty-free. For each calendar year beginning January 1956, the minimum duty-free imports are to be 2 million pounds with additional quantities permitted following consultations between the two governments. The effect of this duty-free arrangement was to virtually exclude U.S. tobacco from the Union in 1955. Sales amounted to less than 200,000 pounds.

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COSTA RICA NEEDS
U.S. BEANS IN 1956

The National Production Council in Costa Rica plans to import 100,000 bags of red beans from the United States in 1956.

Prolonged and severe rains in October on the Pacific side of Costa Rica, the worst recorded in the country's history, wiped out Costa Rica's chance for self-sufficiency in several crops including dry beans. It is reported that the 1955 harvest of beans was reduced 55 percent, or about 180,000 bags, below a year ago. Present stocks total about 50,000 bags of red and black beans.

The United States has exported 36,000 bags of beans to Costa Rica in September and November 1955, the first quarter of the current marketing year. This is 12 times the quantity sent to that country in any previous full calendar year of record. Additional United States beans have been sold to Costa Rica since the November shipments.

PEAS, DRY EDIBLE: Acreage and production in specified countries, average 1935-39, annual, 1954-55

Country	Acreage: Average 1935-39	Acreage: 1954	Acreage: 1955 1/	Production: Average 1935-39	Production: 1954	Production: 1955 1/
	1,000 acres			1,000 bags		
North America						
Canada	85	50	45	806	528	412
Mexico	12	17	* 17	41	98	* 100
United States	223	269	292	2,570	3,491	2,793
Total	320	336	354	3,417	4,117	3,305
Europe						
Austria	12	1	2	146	15	19
Belgium-Luxemburg	19	20	24	411	588	672
Finland	30	23	* 25	389	269	240
France	50	52	53	705	873	836
Germany, Wn. 2/	33	18	15	2/ 507	261	255
Italy	59	44	* 45	400	258	220
Netherlands	91	70	95	2,338	1,874	2,813
Norway	2	* 2	* 2	39	10	* 20
Spain	134	86	* 85	771	419	* 420
Sweden	34	37	40	452	525	265
United Kingdom	20	132	124	336	1,366	2,710
Yugoslavia	13	* 15	* 15	138	154	* 150
Total	497	500	525	6,632	6,612	8,620
Asia						
Turkey	7	6	3	36	28	20
Japan	101	31	55	898	333	596
Total	108	37	58	934	361	616
South America						
Argentina	25	*100	* 80	200	882	661
Chile	71	34	* 35	501	237	* 240
Total	96	134	115	701	1,119	901
Total specified countries	1,021	1,007	1,052	11,684	12,209	13,442

1/ Preliminary 2/ Old Germany * Office estimate

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(See World Dry Pea Production Up in 1955, next page.)

WORLD DRY PEA PRODUCTION UP IN 1955

Dry pea production in 19 countries in 1955 was estimated 10 percent larger than a year ago, reflecting the recovery from the very poor crop in 1954 in England and the low countries of Western Europe. The Netherlands and the United Kingdom, the two largest producers in Europe, reported 50 to 100 percent greater production than last year. Belgium reported about a 14-percent increase.

These increases were partially offset by decreases in North America and that part of Western Europe outside of England and the low countries. Weather in 1955 was droughty across some of Northern Europe; reducing pea production--especially in Sweden. Sweden normally exports peas but probably will not this season.

The Netherlands should have sizable exports of peas this year. For several weeks Dutch peas have been arriving in Cuba. In the first 3 months of this marketing season, August-October 1955, 275 bags of dutch peas were imported into the United States.

Prices of peas were quoted on January 14 at $5.62 f.o.b. Rotterdam for Marrowfats; $5.12 for Imperials; and $4.96 for green peas.

(See table, p. 139.)

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CORRECTION: On page 688 of the December 12, 1955, issue of Foreign Crops and Markets, Japan was reported as having imported 1,114 thousand bushels of soybeans from China-Manchuria and 594 thousand bushels from "others" in 1954. This table should have read 1,685 thousand bushels from China-Manchuria and 699 thousand bushels from "others". The total for 1954 remains the same.

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